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Legislative
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of Ontario



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Official Report of Debates (Hansard)

P-9

Journal des débats (Hansard)

P-9

Standing Committee on Public Accounts

2016 Annual Report,
Auditor General:

Ministry of Advanced Education
and Skills Development

2nd Session
41st Parliament

Wednesday 3 May 2017

Comité permanent des comptes publics

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vérificatrice générale :

Ministère de l'Enseignement
supérieur et de la Formation
professionnelle

2^e session
41^e législature

Mercredi 3 mai 2017

Chair: Ernie Hardeman
Clerk: Katch Koch

Président : Ernie Hardeman
Greffier : Katch Koch



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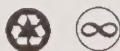
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TABLE 1

Summary of results

The results of the study are summarized in Table 1. The data show that the mean value of the variable measured was 1.2, with a standard deviation of 0.5. The range of values was from 0.5 to 2.0. The results indicate that the variable measured is significantly different from zero at the 5% level of significance.

LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
PUBLIC ACCOUNTSCOMITÉ PERMANENT DES
COMPTES PUBLICS

Wednesday 3 May 2017

Mercredi 3 mai 2017

The committee met at 1235 in room 151, following a closed session.

2016 ANNUAL REPORT,
AUDITOR GENERALMINISTRY OF ADVANCED EDUCATION
AND SKILLS DEVELOPMENT

Consideration of section 3.04, Employment Ontario.

The Chair (Mr. Ernie Hardeman): We have members from all three parties present, so I think we'll get started. Any time that we wait, we have to make up for in the end.

We're here this afternoon for the May 3 meeting of the Standing Committee on Public Accounts. We're here to deal with section 3.04 of the 2016 Annual Report of the Office of the Auditor General of Ontario. We have with us the Ministry of Advanced Education and Skills Development. We thank all of you folks for being here.

As we normally do, we will have 20 minutes collectively for the presentation to be made, for your response to the auditor's report and for anything else you wish to discuss. Then we will have 20 minutes per caucus for questions and comments on the first round. We must end at 2:45, so we'll divide the second round based on how much time is left to go on the second round.

Ms. Lisa MacLeod: Chair, who is starting? Is it the government?

The Chair (Mr. Ernie Hardeman): We'll have to just hold on a minute. I will be able to tell you that.

Interjection.

The Chair (Mr. Ernie Hardeman): The auditor just pointed out that we should also mention that we have the minister here. We also have the Ontario College of Trades. David Tsubouchi is here, who is a former member and a former colleague in government here. Welcome back for the day. It must be nice to be able to sit on that side of the table. Thank you very much.

The rotation starts with the official opposition.

If I could ask for everyone to introduce themselves, at the first opportunity they have to speak, for Hansard. They have the names, but they need the name of the person speaking. So if we could just announce who we are and then we can proceed from there.

Mr. Sheldon Levy: Okay?

The Chair (Mr. Ernie Hardeman): The floor is yours.

Mr. Sheldon Levy: First of all, good afternoon, and thank you, Chair. I am Sheldon Levy. I'm Deputy Minister of Advanced Education and Skills Development. I'll be sharing my time today with Shelley Unterlander, who is the acting assistant deputy minister of our employment and training division. Shelley is to my right.

To the right of Shelley, as you've introduced, is David Tsubouchi, chair and chief executive officer of the Ontario College of Trades.

On my far left is ADM Erin McGinn, and to my direct left is ADM Glenn Craney. They will, of course, introduce themselves, as you request, when they speak.

As you know, we are here to provide a response to section 3.04 of the 2016 Auditor General's report. I want to begin by thanking the Auditor General and her staff for their hard work and working with the ministry. So thank you.

The ministry welcomes your findings and recommendations, which will help us to inform and strengthen our delivery and oversight of Employment Ontario programs and services. As you know, the mandate of our ministry is to ensure that Ontario has the highly skilled workforce that employers need to meet the demands of an ever-changing economy.

The Employment Ontario network gives laid-off workers, newcomers, job seekers, and students training, career-planning services and help to find good, secure jobs. Employers use the network to find workers, and can also benefit from employer supports.

In 2016, over 300 third-party service providers offered 31 programs and services. They include apprenticeship, Youth Job Connection, Employment Service, the Canada-Ontario Job Grant, the Literacy and Basic Skills Program, and Second Career.

Our programs that support employers include the Canada-Ontario Job Fund Agreement, Ontario Job Creation Partnerships program, Ontario Labour Market Partnerships, and SkillsAdvance Ontario.

Last year, the Employment Ontario network helped approximately one million Ontarians, including over 122,000 employers across Ontario. We invest over \$1 billion annually in Employment Ontario, of which \$690 million, or almost 70%, comes directly from the federal government.

Last year, our programs helped over 8,600 Ontarians through Second Career funding, over 42,000 learners through the Literacy and Basic Skills Program, and over 104,000 students find summer jobs. In addition, more

than 25,600 Ontarians were registered as apprentices. Through our Rapid Re-employment and Training Service, we responded to more than 125 layoffs and that affected 9,700 employees.

More than 95% of Second Career clients have told us that the skills they have learned have helped them with their future employment. More than 70% of Literacy and Basic Skills learners also reported positive outcomes for themselves after exiting the program.

1240

It is clear that our programs and services are indeed helping many people get training and find jobs, but we do agree with the Auditor General that we must continue to improve our programs and supports to continually meet the needs of the ever-evolving, challenging and changing requirements of the new economy. We must do more to increase apprenticeship completion rates and help people find sustainable employment. We want no one to be left behind.

When unemployed Ontarians secure employment and begin to build or rebuild their careers, it is a success shared by all of us. With more people working and contributing to our economy, we can address public priorities, including reducing poverty, supporting aging seniors and improving public transit.

We welcome the Auditor General's recommendations as a means for us to do better, to better meet client needs, improve our outcomes and ensure our investments and resources are targeted most effectively. I can assure you that we are committed to serving the people of Ontario and always remaining accountable to Ontario taxpayers.

Right now, I'd like to turn it over to my colleague Shelley Unterlander, the acting assistant deputy minister of the Ministry of Advanced Education and Skills Development, to speak about the ways in which we are addressing the Auditor General's recommendations.

Ms. Shelley Unterlander: Thank you, Deputy.

Good afternoon, committee. I'd like to take some time this afternoon to share with you the actions that we've taken over the past five months to address the report's key recommendations and our plan of action for moving forward.

At the time of the report, we were working on a long-term transformation agenda to modernize and integrate Ontario's employment and training programs. Under the plan, we initiated a number of changes to improve efficiency in the way Employment Ontario programs were delivered. These include transformation of employment and training services, introduction of online apprenticeship applications, a live chat service through the Employment Ontario contact centre and the wind-down of less impactful programs.

Following the recommendations of the Premier's Highly Skilled Workforce Expert Panel, the ministry is also putting in place a strategy that will help the workforce adapt to the current and future demands of a technology-driven, knowledge-based economy.

It is under that lens that we are taking a hard look at specific programs mentioned in the Auditor General's

report, and we've begun to take the following steps and actions. In terms of working with other ministries: We have started policy discussions with the Ministry of Citizenship and Immigration and other partner ministries to develop a seamless, learner-centred adult education system for Ontario. Many Ontarians need supports to upgrade their skills and to compete in a rapidly changing economy. Stronger essential skills help Ontarians to succeed in further education and training, and in finding and keeping employment. We will continue to work with MCI and other ministries to streamline duplicate programs within the Employment Ontario network.

In terms of performance measures and outcomes: To improve effectiveness and ensure that Ontarians receive quality service, we have issued letters to service providers whose program outcomes did not meet the provincial service quality standards for the Employment Service program and the Literacy and Basic Skills Program. In the fall, we will explore the possibility of expanding these actions by 2018 to more programs, like our Youth Job Connection, and to provide the training that our staff need to ensure consistent use of these monitoring frameworks.

In the near future, we plan to design outcome measures and targets for the Ontario Job Creation Partnerships program and the Ontario employment assistance programs. We are developing strategies to follow up with more participants at more regular intervals and revise employment status categories to provide more meaningful and reliable outcome information.

Our ministry is working on developing and introducing consistent employment status definitions across all Employment Ontario programs, including to systems, forms and operational documents.

To better understand the performance and outcomes of our programs, the ministry also conducts in-depth evaluations. For example, we've recently completed evaluations for two of our flagship programs: the Literacy and Basic Skills Program and the Second Career program. The LBS evaluation report was publicly released on April 12 of this year, and the Second Career evaluation was released on April 13 of this year.

The evaluations identified numerous strengths to those programs, but they also identified opportunities for improvement. We will use those findings, as well as a range of other relevant evidence and factors, to ensure continuous improvement of the programs in collaboration with service providers in this sector.

We also acknowledge the impact of not having access to detailed labour market information, and the impact that that has had on our ability to make evidence-based decisions about our employment and training programs. As part of our minister's mandate letter, and as part of our work following the highly skilled workforce panel report, we are implementing a provincial labour market information strategy to improve access to credible, high-quality information that will help our job seekers, students and their families make better-informed decisions about their future, and to also help employers undertake workforce planning.

We've started to release employment and training data to the public through the Open Data Directive. In February of this year, the ministry released its Employment Ontario geo hub, which provides interactive data that includes outcomes for a variety of programs. This data includes information on a number of Employment Ontario programs. It's divided up by the 18 local boards and the eight local employment planning council areas across Ontario. In the next few months, our ministry will release data on apprentice registrations and completions, and we're preparing for further apprenticeship datasets for release later this year.

We are also exploring some new and enhanced sources of labour market information. For example, the ministry has acquired new sources of real-time information on job postings at the community level, and we're assessing the feasibility of using regional labour market projections from an external service provider to create information resources for the public.

In November 2017, the ministry will incorporate newly released census data on labour market information into the calculation of Employment Service funding. We will also update the ministry's Ontario Job Futures publication to provide outlooks from 2017 through to 2021, and we will increase regional and local content through phased improvements to the labour market information website beginning this fall. In January, our local employment planning councils also began quarterly reporting on a set of key employment indicators.

To give you a bit of an update on Second Career: To help the ministry better manage client cases and reduce the number and level of potential overpayments to clients, we are exploring the use of improved information technology supports. We acknowledge that this has been an issue in the Second Career program, and we're making a number of changes to our information systems and business processes so that we can better manage client cases. For example, we now reconcile receipts quarterly instead of at the end of a contract to reduce the number and level of potential overpayments. Moving forward, we plan to review the impacts of these changes and analyze the need for additional measures.

1250

Beginning this year, in February 2017, the ministry increased its reporting to ensure that ministry staff conduct their monitoring and reconciliation duties, to further reduce overpayments to Second Career clients. We will continue to consult with our partners on the feasibility, and potential impacts on clients, of requiring receipts before providing funding.

I'd like to provide a few updates on the Apprenticeship Program. Supporting apprentices is a key ministry priority. We're working together with our partners to improve the apprenticeship system and to make it a better overall experience for our apprentices.

When an apprentice completes a program, all Ontarians gain from their skills. They provide products and services that fuel our economy, they build our homes and they help create the infrastructure that Ontario needs to succeed. That's why we're planning to modernize our

system, to make it easier to navigate and to make sure that the best supports possible are in place to help more employers, apprentices and training delivery agents. These supports will ensure that apprentices: have the skills needed to meet future labour market demand, are prepared to make use of new and emerging technologies, and have the competencies required to succeed on the job.

To support this work, we plan to invite apprentices, employers, training delivery agents and other partners to take part in a facilitated discussion on apprenticeship modernization this summer in Toronto. The goal of these sessions is to develop an action plan that will result in an improved experience for apprentices and employers, in support of building Ontario's highly skilled workforce. This is an agenda-setting exercise designed to help the government scope short-, medium- and long-term goals for modernizing our system.

We have also implemented strategies for apprenticeship completions, including expanding our exam preparation courses and making exam preparation mandatory, as a mandatory component for 11 of our trades.

We have also introduced a couple of new monitoring pilots to help apprentices. For example, if apprentices need help with numeracy and literacy, we're connecting them to our Literacy and Basic Skills Program. If they're having difficulty getting a job, we're linking them to our Employment Service program.

We agree with the auditor's concerns regarding the completion rates. We're also reviewing funding and supports for both compulsory and voluntary trades, to determine their impact on completion rates. We will examine our monitoring methods, which identify those apprentices most at risk of not completing a program.

Regarding the recommendation to redesign the incentives offered to employers so they are encouraging program recognition and completion, we recently undertook employer engagement that focused on financial supports in the apprenticeship system. We focused on the use of tax credits, to ensure that they are encouraging businesses to help apprentices gain the certification and skills they need to maximize their own earnings, improve their labour market mobility and contribute effectively to the economy. As a result of that engagement, we are working with the Ministry of Finance to review the Apprenticeship Training Tax Credit.

We are also focused on improving the training of apprentices. We're working with colleges to review the in-class student engagement and satisfaction survey. We plan to use the survey findings from the satisfaction survey to improve the training and survey administration. We're also revising the annual apprenticeship survey to ensure that it includes mandatory questions that will offer us insights into why apprentices withdraw from their programs.

The ministry agrees with the auditor that it would be helpful to compare our Apprenticeship Program with other jurisdictions and to develop a standard methodology across Canada for calculating apprenticeship completion rates. The Canadian Council of Directors of Ap-

apprenticeship is currently carrying out a two-year review of the apprenticeship data used in the system which will support the development of a unified rate. Once this is completed, the ministry would like to take a leadership role in discussions with our provincial and federal counterparts to help identify and achieve a standard methodology.

I would like to indicate that we've been working hard to address the Auditor General's recommendations. We will continue to make improvements and changes in the months and years ahead, changes that will ensure our investments in employment and training get the best results for job seekers and taxpayers; changes that will help people get back to work quickly through employment services, including retraining to support Ontarians to get, keep and advance in jobs for long-term success; changes that will provide groups that have barriers to employment with intensive employment interventions, including literacy, essential skills, language training and connections to wraparound social supports; and we'll continue to work with employers and industry to address their employment needs and address the skills gaps that exist.

In closing, I would like to thank you for the opportunity to address the committee. I will now pass it over to the CEO of the Ontario College of Trades, David Tsubouchi, for our last few minutes.

The Chair (Mr. Ernie Hardeman): There would be nothing I would rather do than listen to him, but I guess we'll have to do that during the questioning because the time has expired. We'll start the questioning with the official opposition. Mr. Hillier.

Mr. Randy Hillier: Thank you everybody for being here today, from Employment Ontario and elsewhere.

I have to say, in my time in public accounts, I've not seen a more abysmal report on a ministry or any agency that has come before public accounts, as far as the expenditure of funds and the lack of outcomes. From the outset, it looks like we're wasting \$1 billion or so when we look at the outcomes of the programs and their purposes.

Let's just take a look at the Second Career program for a moment. We know that that is not a new program. It was announced a number of years ago; it's been in place for a number of years. We see from the Auditor General's report that in 2015-16, only 35% of participants reported being employed after program completion. That's bad enough as it is, but then only 10% reported being employed in the field of their training. So the money that was spent for their training achieved one in 10. That's a pretty abysmal outcome. You may have some justification, I would think, in the first year of operation of Second Career, but it's been around for a while.

So I'm going to ask the question: Was the ministry aware of the failings of their program prior to the Auditor General's report, and if so, why wasn't action taken earlier to improve these outcomes?

Mr. Sheldon Levy: Let me begin by taking that question, and I will pass on, for more of a detailed response, to my colleague.

If I could just give an example: I've had the opportunity of actually going down the deepest mine in the world. When I got to the midpoint of that, I found a program that was being funded by Second Career. Every student in that program but one was actually a Second Career student. When I spoke to them, although their job prospects and the types of jobs that they would take were not exactly in line with what the Second Career is, the Second Career opened new doors for them. So I wouldn't call everything a failure, that someone got a good job, but not directly into the Second Career—

Mr. Randy Hillier: But that speaks to the first number that I said. I know only a third were finding employment at the end of the—

Mr. Sheldon Levy: I think it spoke to the 10% number that you mentioned.

1300

Mr. Randy Hillier: Well, both. Two thirds were not employed after the training, after the expenditure of funds, but only one in 10 was actually employed in their field. So, whichever number you want to look at, they're both failing numbers.

Mr. Sheldon Levy: The only point I'm making is that even when a person wasn't directly involved in the career under which it was Second Career, that Second Career did give them training and opened other doors for good employment. So I don't put that as a total failure and a direct on that.

What I would like to do is pass it to my colleague to be able to give you a more in-depth answer to your question.

Mr. Randy Hillier: Maybe answer this question: How long have you known in the ministry that the outcomes were failing, that there was a poor success rate? How long did you know that?

Mr. Sheldon Levy: I will pass it to Shelley.

Ms. Shelley Unterlander: One of the things that I'd like to flag is that there are different ways we can calculate the percentage of clients who are employed in their field of training.

Mr. Randy Hillier: My last question was, how long were you aware of failure in completions, that the success rate of finding employment was below 50%?

Mr. Sheldon Levy: We'll get you that information, because we don't have it right now, but as soon as we have it, we'll give it to you.

Mr. Randy Hillier: Okay. Maybe we'll move on while we're waiting to get that, because it wasn't just—

Mr. Sheldon Levy: I think my colleague could answer that.

Mr. Randy Hillier: Okay.

Mr. Glenn Craney: I'm Glenn Craney. I'm the assistant deputy minister of policy at the ministry. We continue to review our programs as we start to move forward, and the Auditor General did provide us information on how our performance metrics are working and where we need to improve.

Second Career, as you mentioned at the outset, was a program that was designed in 2008 and that was really

meant to solve the problems in 2008. As you've mentioned, things have moved on.

We've been reviewing the program for a while. In the summer of 2016, last year, we undertook a review of the program. As my colleague mentioned, we released a report around what that looks like and we're starting to actively consult in terms of how we're going to change, moving forward.

Mr. Randy Hillier: But a review—this is eight years. Things should be improving each year. Heaven forbid if this is the epitome of the improvements of the review process, where we only get a third of the people getting employment after it, and only one in 10 getting employment in the field where we're spending the money on their training.

That goes back to my question: How long have you known that this program is failing the people who enter it and failing the people of Ontario, who are funding it?

Mr. Glenn Craney: We don't have our figures in front of us to move forward. But I will make the point that I think the figures you're referencing are people who are employed in their field of study.

Mr. Randy Hillier: Both.

Mr. Glenn Craney: If you look at the people who are employed in a larger field, I think the number is larger, but we'll get back to you on that specific number.

Mr. Randy Hillier: Okay. We'll look at another program here, the Employment Service program. That one has pretty much the same numbers. At the time of program completion, 38% of people were employed full-time, and about 14% had found employment in their field of training, a professional occupation or a more suitable job than what they had before the program—again, some pretty abysmal numbers. The term "investment" was used. "Investment," to me and, I think, to most people, says we get a greater return when there's an investment. Those numbers don't reflect a greater return at all if, again, only 15 in 100 actually find better employment than what they had before entry.

Mr. Sheldon Levy: Glenn, do you want to take that one?

Mr. Glenn Craney: A couple of things, to move forward: If you look at Employment Service holistically, we show that almost seven in 10, or 68%, of people are employed. If you think about the people who come to Employment Service as we develop, these are people who have often lost their jobs and they're moving forward. If you're looking at a statistic that talks about people who are employed in better—the question is, better than what?

Mr. Randy Hillier: That's the question. That's a survey. It's not esoteric. It's not rhetorical. "Do you have better employment today, after completing the program, than what you had before entry into the program?"

Mr. Glenn Craney: The point that I was making is that many of the people who come to Employment Service have recently lost their jobs and are on unemployment as they continue to develop. The Auditor General provided some comments to us around how to better

measure those things moving forward. But we do know that when we look at the program, we've served over a million people. Almost seven in 10 have found employment—

Mr. Randy Hillier: Well, you spent money on a million people, but you haven't improved the lives or the employment opportunities for a million people. That's what you're being paid to accomplish: to improve the prosperity and employment opportunities for people; not just to expend monies on them. Am I missing something here?

Mr. Sheldon Levy: I'm going to try to give you a more textured answer. The challenges that are faced in the economy with the changing nature of jobs and the people who are losing their jobs, and having to retrain them into a modern workforce is a challenge faced by every jurisdiction in the world. The ability to create those programs that I call our knowledge-based programs for workers who have lost their jobs that have been more what I'd call in the analog world or the pre-digital world is a huge challenge, and I don't deny it. The challenge that we have—and I say this sincerely—is the equivalent of changing the tires while the car is moving. I don't deny the challenge. But I can tell you that when you meet provincially, everyone is struggling with how to bring workers who have had jobs in what you could call the old economy up to speed in the new economy. In one sense, the answer is, change the training to be able to train them in the new economy. But the problem is that their education backgrounds don't give them that easy access, and as a result, their issue is: "I have a family to feed. I need a job today." Our challenge is, how do you begin to train people for secure jobs, in both geographical terms and economic terms, where the jobs don't exist anymore? This is probably one of the biggest challenges that we're going to face across Canada and across North America.

Mr. Randy Hillier: I understand there's a challenge; there's no question.

Mr. Sheldon Levy: I'm not defending a low number; believe me. We would love to be able to get the number up to 70% or 80%, for sure, but it can't happen without a foundational education, and that's when you do Literacy and Basic Skills and where you add the other support features around it. But even then, it's difficult.

Mr. Randy Hillier: Are you saying it would be better to improve the education of these people instead of providing these employment programs?

Mr. Sheldon Levy: It's one of the reasons why in this last provincial budget so much funding is given to Literacy and Basic Skills. If you could magically have everyone go back to school and back to college—but they can't. They need a job for today and tomorrow. They don't need a job for three years from now.

Mr. Randy Hillier: We've been hearing that we've been improving our graduation rates and we've been improving education outcomes on so many metrics. But you're saying that people are still unable to find employment due to their lack of education?

Mr. Sheldon Levy: Many.

Mr. Randy Hillier: So once again, is this program worthwhile? Or is it better to be improving—and you used the term “basic literacy” and whatnot. You need to have far more than basic literacy for knowledge-based jobs.

1310

Mr. Sheldon Levy: That’s my point. Let me just give you a simple example. Right now, there is no doubt a large demand for technology and CNC-type machines, what you could call computerized machines that do manufacturing. But it’s hard to take someone who has just lost their job in something that was of a more manual nature and immediately get them into those jobs. This is what I mean by the changing economy.

Mr. Randy Hillier: I’ve looked at the Second Career program over the last eight years, and I haven’t seen any fundamental change to it in the eight years. I was here during the debate on the creation of the Second Career program. I don’t see any fundamental change. If what you’re saying to me is indeed factual, why hasn’t the ministry re-emphasized, refocused and reformed that Second Career to actually meet the needs of the people who are entering into the program and who are seeking a job at the end of the day? Surely it doesn’t take us eight years to recognize that we’re not meeting our purposes and our objectives.

Mr. Sheldon Levy: What I would say to you is that the program should be being changed and made more up to date.

I wanted just to be able to go back—and I’m being absolutely candid. The challenge is that we have many, many people who are losing their jobs and they have limited skills. The jobs that they are able to take are not easily available in the community that they’re in. So being able to change the programs and make it for the next 10 years will also leave those people behind. That’s what I meant, sir, about having to change the tires of the car while the car is moving. But it’s not to say at all that the program shouldn’t be improving and more in tune with the needs of the learners. That is for sure.

Mr. Randy Hillier: It sounds to me, from what I’m hearing, that this program is meant to give the appearance of achieving an outcome, or creating an appearance that something is being done for the disadvantaged and for the people who are facing hardship and lack of employment. It’s not actually meant to find or help them get a job.

Mr. Sheldon Levy: No, it’s far from appearance. It is the challenge of putting on a program for the people who are needing employment right away, who are losing their jobs in what you could call a manual way, and having a very high probability of success when the jobs at the other end aren’t available. That’s fundamentally the problem.

Ms. Lisa MacLeod: The fundamental problem is you’re not addressing those needs. There is not a great degree of success here. When I look at some of these statistics—and I do apologize for jumping in here, Mr. Hillier. When you’re looking at them and go back, 35%

of the participants in the Second Career program reported only being employed at the time of program completion, with 17% employed full-time, and only 10% reported being employed in their field of training. There has been relatively little follow-up with participants in the three, six and 12 months after receiving the programs. You have not taken data since 2009-10, and it happens to be 2017 now.

When you look at the overpayments, you had \$30 million in overpayments forwarded for collection to Ontario Shared Services, yet Ontario Shared Services wrote off about \$26 million of that.

I think I have to agree with my colleague here. When I look at the amount of money we’re spending, and the false hope—and I think that’s what bothers me the most. I’ve seen a lot of government waste here. I’ve been here 11 years. I’ve seen the scandals. I’ve seen eHealth. I’ve seen Omge. I’ve seen a \$1.2-billion cancelled gas plant, and I was the energy critic at the time. I’ve seen waste. But this is where you’re actually messing with people’s lives and pretending that they’re going to have hope, just funnelling money here, there and everywhere, with no real drive towards completing any data, following anything through, and giving anybody a better life. When only one in 10 people are succeeding, and they’re likely not even succeeding in a career that they’re suited for, I think we have a real problem. It’s very sad that it took this many years—seven, eight years—before we’re looking at this.

Perhaps this is much more of a statement, but I don’t understand how you couldn’t have come up with a better set of outcomes before the auditor went in. If you can explain that to me and to my colleagues, then I’d appreciate that.

Mr. Sheldon Levy: I would say that, if you said that the program should have been improving and improving faster, that’s what the auditor said, we would agree with you. I’m not denying that. What I’m saying is the expectation that you’re going to have a program that is dealing with the unemployed, with the level of education background, that will get numbers like 60% or 70% is not possible. But to get better than the numbers here is certainly possible. That’s where the improvement is absolutely necessary and what we should do better.

But I disagree that it has anything to do with false hope. It is our intention in every one of our programs to be able to give the individual maximal opportunity to gain good employment. The other side of it is, if you are in some of our communities where the people are trying to get the jobs, there isn’t the employer anymore that is trying to hire these people for the skills that they have. That’s the changing economy. So what do you do? Do you just close down the programs and say, “There’s no hope for you”? Do you tell the person to move to Toronto? These are real challenges faced by these programs.

Ms. Lisa MacLeod: But you’re not meeting the challenges, I guess—that is the problem.

The Chair (Mr. Ernie Hardeman): We’ll have to stop there. Ms. Sattler?

Ms. Peggy Sattler: Thank you very much for the presentation.

I wanted to start by talking about a report that came out a couple of months before the auditor's report by the Institute for Competitiveness and Prosperity called *Licence to Innovate Revisited*. The report was released in June 2016, and I think that there were some interesting observations included in that report that provide some context for the auditor's findings.

Specifically, the report noted, "Alarming, relationships between government"—this is MTCU—"and service providers are untrusting and unchanging.... Since contracts remain relatively unchanged from year to year, there is no formal inclusion of best practices or new ways of providing services. Moreover, delivery agencies are in competition for clients and therefore reluctant to share information. Overall, this approach fosters tension and unbalanced relationships, and further reduces incentives to innovate."

That sort of case study of MTCU at the time and the oversight of Employment Ontario, I think, is maybe some of the reason for the findings of the auditor about the lack of success in the Employment Ontario programs. I'm sure you were aware of this little case study that was included in that report from June 2016, but I wondered if you could comment on what's being done to address that aspect of the delivery of programs.

Mr. Sheldon Levy: On the service providers?

Ms. Peggy Sattler: Yes: the relationships with service providers, leveraging best practices and reducing that kind of tension between government and the local agencies on the ground.

Mr. Sheldon Levy: I'll pass that over to my colleague, but one of the things where we agree with the auditor is that we've got to have better performance metrics. If service providers don't meet the metrics, there has got to be a review and maybe a change of it. Negative competition under which the client, at the end, is the one that suffers because of that can't be tolerated. So we've got to be able to ensure that the metric that we're looking for is good, secure employment at the end, and that's the metric that they have to be held accountable for. That's part of the changes that we've been undergoing as part of the changes to the service provider network. But I could ask my colleague to provide more detail on where we are on that.

1320

Ms. Shelley Unterlander: I would like to talk a little bit about how we ascertain risk assessment associated with our service providers to tag on to what our deputy just clarified.

We conduct risk assessments of service providers as part of our ongoing risk management processes. It's part of an overall contract management philosophy. At a minimum, our ministry staff work to clarify objectives, identify risks, assess risks, plan and take action, and monitor the risks. We use that to help inform us when service providers who are underperforming—we need to take some action. For example, we have two processes that we

use in dealing with service providers. One is directed improvement and the other is an official review process. We use that to enable us to determine risks associated with our service providers.

Ms. Peggy Sattler: How do you share best practices between service providers who are performing with those who are not performing?

Ms. Shelley Unterlander: Sorry, could you—

Ms. Peggy Sattler: How do you share best practices that are employed by the service providers who are meeting the standards versus other service providers?

Ms. Shelley Unterlander: We have, for example, a group that we call our service delivery advisory group. That group enables us to do both formal and informal consultation. They represent a cross-section of our service provider network. We will meet and talk about, for example, new programs and challenges with existing programs. We just had a good consultation on our annual business planning process. We have also been engaged just recently in some stakeholder consultation groups relative to our Literacy and Basic Skills service providers, as well as our Canada-Ontario Job Grant service providers.

We also regularly take advantage of a group that we call our Employment Ontario Information Systems External Reference Group. That group is more of a technical group, but their mandate is to work together to improve on the reporting processes, forms and methodologies that we use from an information technology perspective.

Those are a few examples.

Mr. Sheldon Levy: I could also ask that my colleague Erin McGinn provide you with some information to your question as well.

Ms. Erin McGinn: Yes, thank you. Erin McGinn. To build on my colleague's comments, the other new element that has been introduced to perhaps get at some of the things that the report identified is the Ontario Centre for Workforce Innovation. That's a new research centre as well as a space where the Employment Ontario service provision can come together to share some of those best practices. It is located at Ryerson University, so it has a very robust research agenda and also is aiming at some of the things my colleague talked about related to the elements of performance management. As well, they have some funding to test out some pilots in terms of best practices and what's working in one region and what could work in another region. That's a pilot itself right now, and it's something that we're, as a ministry, really interested in learning how successful they're being in creating some of those collaborations and bringing innovations into the Employment Ontario network.

Ms. Peggy Sattler: I was struck by the auditor's findings on the Second Career program and the seeming ineffectiveness of that program in helping participants gain employment. But when that is compared to the Targeted Initiative for Older Workers, it actually seemed to be one of your more effective programs: 75% of participants completed, and 69% were employed at program completion.

Yet, that program, I understand, is being discontinued. Even when it was in effect, it only applied to smaller communities under a certain size of population. It didn't extend to many, many people in this province who could have benefited.

We hear a lot in our communities about older workers. Quite rightly, there is an important focus on youth, but older workers who aren't going into Second Career also require some kind of support. So can you explain the rationale for deciding to phase out a program that was actually doing quite well?

Mr. Glenn Craney: As you may know, the targeted program for older workers was part of a requirement that we had as part of our labour market development agreements with the federal government. In the federal budget of 2017, there was a move to consolidate those agreements into three. Part of the philosophy behind that is actually to provide additional flexibility for provinces to use the money from the federal government to move forward. While that agreement isn't currently in place anymore—or won't be, through the next round of discussions—that doesn't mean that we aren't interested in the needs of older workers and getting them employed. So I wouldn't read the messaging that came out of the federal government as being that we are getting rid of the program. What it means is, as we look at the programs overall, we're looking to find better ways to support those people.

Mr. Sheldon Levy: I think we can give you some information on the plans for older workers in 2017. I want to just give examples of the types of programs that are being planned.

I'm going to bridge off what my colleague said, because there's an important issue that underlies all this. I don't mean to take this on a tangent, but it begins to answer a lot of the questions, including those of Mr. Hillier. As I said at the beginning, 70% of the funding comes from the federal government. The federal government very much sets the rules for how that 70% can be used. That funding from the federal government comes from, by and large, Employment Insurance. Ontario has this unusual feature: that 70% of our needs in people looking for jobs are not people who are on EI, yet 70% of the money comes for people on EI. So we have, on one hand, a great need to be able to help people, but on the other hand, the funding we get is directed towards a subset of those people. Ontario is unique in that. So we've been arguing with the federal government that when they provide us the funding, they should give us far, far more flexibility and allow us to tailor the programs that better meet the needs of Ontarians. Quite often, what we are finding ourselves doing is trying to figure out how to fit Ontario into a federal government program, when 70% of the money is coming there. If left on our own, we would no doubt have different programs, but we are accountable, with the spending of \$700 million, to the federal government.

This year, when the budget came out, we were delighted to see that the federal government is beginning

to provide a little more flexibility, but they find themselves constrained, as well, because the money comes from EI.

So when people look at it, they say, "Why are you funding so much money into this area? We need it into there." We would agree. The problem is, we are accountable for the money, particularly to the federal government, and Ontario is out of sync with how the money comes in. A lot of our programs are constrained by the rules from the federal government. This is an example of one. It isn't that we are removing it; we have to play by the rules set by the federal government because they're funding \$700 million, and if we don't spend it exactly the way they want it, they either take it back or we have to refund money spent in another way. It's a big constraint on us.

Ms. Peggy Sattler: How much time do I have left?

The Chair (Mr. Ernie Hardeman): About seven minutes.

Ms. Peggy Sattler: Okay. I want to move on to the next issue.

So \$1 billion is spent on Employment Ontario; \$6 million is spent on the workforce planning and development boards. As you know, Employment Ontario addresses the supply side—so there's a massive amount of money going to the supply side—and very, very little money going to the workforce planning and development boards that focus on the demand side. They're the ones who are in touch with the local labour market, and they can funnel up some of that local intelligence about what employers want and need.

Can you talk to me a little bit about how you are gathering that kind of local intelligence from employers, so that your programs are much more responsive to the demand side rather than strictly the supply side?

1330

Mr. Sheldon Levy: I'll let my colleague Erin talk about the LEPCs and give you a good answer to that question.

Erin?

Ms. Erin McGinn: Thank you. I think one of the elements that is in play right now, related to the workforce planning and development boards, is the pilot of the local employment planning councils. That's an investment that was made last year, related to providing additional supports to these local tables. They have a bit of a broadened mandate to bring together the employer, the educational community, different partners and the economic development in the municipalities, and they're all operating a little bit differently, to be honest. We're going to learn a lot from them as they undertake their journey.

Part of that, related to labour market information, is they are getting at that granular level of labour market information. Right now, they're doing it very much at the local level, and we're working with them to be able to surface some of those elements to bring up to the provincial level. Because it is a pilot, we're learning with them, to a certain extent, in terms of what information is

relevant at the provincial level and what information is relevant for them at the local level. As part of the Highly Skilled Workforce initiative, that was a strong recommendation of the panel in terms of local labour market information.

We would agree with the Auditor General's report that we have work to do in this area in terms of getting at the right information, to make it relevant both at the local level and at the provincial level.

Ms. Peggy Sattler: As I understand the LEPCs, they are each being evaluated by a separate evaluator. From an evaluation perspective, how is that going to allow you to see, across the different pilots, what has been effective and what hasn't? Why didn't you do a single evaluator for all eight pilots?

Ms. Erin McGinn: We do have some evaluation mechanisms in place that are going to be applied to each of them equally. This is also where I mentioned that the Ontario Centre for Workforce Innovation is also assisting, related to the labour market information in particular. The LEPCs themselves have gotten together to work with the centre in order to identify those elements that are provincial in nature and that they could provide uniformly, to make it real right now at the local level and also from an evaluation standpoint.

We are trying to bring some of that from a centralized standpoint, so that we can identify some commonalities across the system.

Ms. Peggy Sattler: Okay. The final question is about work-integrated learning and the Career Kick-Start Strategy, and the expansion of those opportunities in the post-secondary sector, and how this is all going to work when you have the colleges and universities knocking on employers' doors, you have Employment Ontario job developers knocking on the same employers' doors, you have the agencies that deal with persons with disabilities knocking on the same employers' doors, and you've got the newcomer programs under MCI all looking to the same employers to provide these kinds of experiential opportunities. What are you doing within the ministry to integrate and try to relieve some of the burden on employers, who are going to be inundated on all sides to take people into their workplaces?

Ms. Erin McGinn: Thanks for the question. That's certainly something, when we were talking to employers as well as universities and colleges and students, that we heard loud and clear, from an elementary/secondary level right up through to university—that they get every door knocked on every day, in order to be able to offer these opportunities.

We're hoping, with some of the funding that was announced through the budget, to be able to address some of that burden, both from—can technology be utilized in order to make some of that matching an easier process, and what do employers need to better support them in creating meaningful opportunities? Some of that can be applied sector-based, and some of that can be applied to every employer in terms of a playbook, so to speak.

Those are some of the things that we're hoping to be able to move forward with, in consultation with all of the partners who are involved in creating these experiences for students.

Mr. Sheldon Levy: If I could just add to that, because I think this will be one of those good-news success stories: We are working with the Ontario Chamber of Commerce as the SMEs, but also with the large employers, to be able to look at best practices and how to create what you could call a matching system between the needs of students for both work-integrated learning and co-op placements, and learn from best practices. Everyone knows that University of Waterloo is well known for that.

We know there's a big burden, and when you begin to say that you want to put even more people through co-op and work-integrated learning that we must be able to create a better matching system between the opportunities and the availability of the talent to make sure that the experience is meaningful to the student.

As I said, whether it's the chamber or whether it's the large employers, everyone is united on this front. We've been talking to technology providers. Some of the technology providers now have multiple universities and colleges on-site to be what you could call the one side, which is the talent side, and now we are working with the employers on the employer side. It's not only a high priority; it has become essential if we're going to meet our needs. I think this will be one of the good-news stories and one of the successes, because everyone is on-board on this.

Ms. Peggy Sattler: But I think the Employment Ontario programs that are already challenged in terms of meeting the outcome measures that are in place are going to be—I mean, this is going to affect them greatly as these opportunities expand throughout the educational system.

Mr. Sheldon Levy: There's no reason to believe that the types of technology and ensuring that there's an employer at the other end of the training isn't available to all Ontarians. The ultimate goal is to make sure that where you put your effort in has an outcome, and that's the employer and the trainer being much more closely aligned.

The Chair (Mr. Ernie Hardeman): Very good; that concludes the time. We'll now go to the government: Mr. Dong.

Mr. Han Dong: Deputy, I want to thank you and your colleagues for coming to committee today and giving us very important information and an update. Personally, I want to thank you for taking on the job. I know it's not an easy job. You've been with the ministry just a bit over a year, and the experience and knowledge you bring with you are definitely a huge boost to the ministry.

I share your comments with regard to the AG's report. I want to thank the AG for this report and the recommendations. I think it goes a long way to help us to do our work in the government.

I understand the frustration coming from my PC colleagues: Why can't we do it better? I think everyone

wants to see better performance in these programs, and I think what's important at this stage is, let's get some information that will help us to construct a committee report, and perhaps to provide some recommendations as to how to improve the performance of these programs.

The first thing I want to ask you about is the Employment Service. I noticed that you mentioned that there are other jurisdictions that share the same challenges. Is there any number or measure of data on equivalent programs offered by other provinces in the country that we can look at, just to give us some context of where we stand when it comes to Second Career and Employment Service?

Mr. Sheldon Levy: I'll give a general answer, but the specific one to Glenn. The provinces and territories meet on issues that include the sharing of data, labour market information and how the funding from the federal government works. There is a good and a closer-building relationship between the provinces and the territories with the federal government. So, yes, we share information. I'll ask Glenn, who has taken a leadership role, to provide some more information to you.

Mr. Glenn Craney: As we move into the new set of agreements with the federal government, the federal government is looking to consolidate those agreements and also to provide more flexibility to the provinces moving forward. As part of that more flexibility, they're looking to develop a common performance framework for all provinces within the country, all PTs. What we've done is we're going to take a leadership role. We're going to co-chair that group. Ontario is co-chairing that group with the federal government. Over the course of the summer we're looking to create common sets of indicators across all provinces and territories in Canada so that we will know, into the future, how we can benchmark our programs against others. So it is coming, and it will be coming soon.

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Mr. Sheldon Levy: Shelley, do you want to add something?

Ms. Shelley Unterlander: Yes, I'd like to add, from a service delivery perspective, that we have a fairly new interjurisdictional committee that meets on an annual basis, with representatives from across Canada. We've had three meetings in the past three years, and the most recent meeting took place last fall. Most of the jurisdictions across Canada participated. One of the things we focused on was sharing some collaboration around our Canada-Ontario Job Grant. Most of the jurisdictions were looking at some form of youth programming, so we had a good collaborative discussion about that. The plans are for the committee to meet again this fall, so you raised some points that we can take forward.

Mr. Han Dong: I think it's very important to know how clients feel about our services. For Employment Service, do we have a standardized assessment process to document and track user experience? Do we know if these user experiences have improved since the report?

Mr. Glenn Craney: We do. Through the employment training division, we do collect information on every

person who comes through our doors, and we do have a balanced scorecard approach in terms of developing information. Part of that looks at the total number of clients served and how many people are employed. We look at the fit for the program—looking at programs that have people with multiple barriers towards employment. We look to see how many people come in with multiple barriers versus just one. We also look at providing wrap-around services to clients who are coming in, to referrals for other things like housing. All of this comes together for an employment standard. The auditor has provided some comments around how we can improve that. Over the course of the next summer, and in line with the work that we're doing with our federal government colleagues, we're looking to improve and develop that. In particular, we want to spend some more time tracking the people who come through our doors, moving out, six months, a year, two years after, so we can see what the long-term effects of our programs are. We will be putting that in place in the coming weeks and months.

Mr. Han Dong: That's very good.

Service providers are also very important in this equation. How does the ministry monitor service providers in each area in the way that they provide client service? Have you seen any common deficiencies amongst the services providers that we can work to improve?

Mr. Sheldon Levy: As you said, the service providers are the backbone of the delivery. They are in almost every small and large community, and there are multiple in the larger communities.

As my colleague said, the ability to measure and monitor and look at the results such that we know that there are metrics that they're working towards—and they're common metrics, so you know which ones are successful and which ones need improvement or maybe should be changed. This is one of the important goals that we have, and to be able to always update our network, to be able to ensure that it is meeting the maximum needs of Ontarians.

I could ask Shelley to provide you with some more details on that.

Ms. Shelley Unterlander: We are currently reviewing our existing monitoring approaches and consolidating program accountability frameworks to inform the development of provincial strategies. We've completed a first-phase environmental scan. We've identified business needs to define automation requirements for select existing monitoring resources. For example, we will implement new system-wide functionality later this year that will track quarterly activities and highlight risk levels and allow for documented, strategic follow-up with service providers.

I would also add that we are undertaking a review of efficiency targets for Employment Service, and once that review is complete, the ministry will implement parameters for service providers to set efficiency targets for contracts, effective for the next contract time frame, which is April 2018.

Mr. Han Dong: That's great. When we had the briefing this morning, I noticed that one of the findings by the

auditor had to do with the labour market indicators: “The ministry has not updated the averages” of labour market and location indicators “since 2009-10. As such, they may not reflect the current relative employment, demographic and cost conditions in place at a service provider’s site, so sites may not be receiving the correct proportion of overall funding.” Then she provided recommendation number 2.

I have two questions on this. First, why do we use indicators that are dated 2009-10? Secondly, have we done anything to improve that? Because I heard in your opening remarks that we have started looking at these indicators. I just want you to go a bit deeper into explaining that.

Mr. Sheldon Levy: I’m going to take the first part of your question and maybe pass the second part on.

If the question is about the robustness of labour market information, I could give you a straightforward answer that says everyone is having real challenges on that. In fact, the federal government is now setting up what is essentially a new corporation to try to get to labour market information. There’s no denying that this is a challenge, and we share it among every province and every jurisdiction. It is in fact a North American problem of getting good LMI.

I think we are on a great path now to be able to take a leadership role in that. As Glenn mentioned, we’re taking a leadership role across Canada in improving LMI data. Underneath LMI data, if you can get it at the granular level or at the local level, that gives you the information to be able to make the best decisions. If you don’t have it, you’re somewhere between guessing and following history. What you see in this is the Auditor General saying that surely there is a better way than history and guessing. Underneath it is the evidence that you need from LMI. That is a challenge, to get good labour market information.

The information that you get from the federal government, you put with other data, and you scrape the Web, and all of them give you little pictures of it. But the challenge is, how do you get reliable, good information that is current?

One of the problems is that you get information and it’s always nine months old, and the world has changed in the nine months. So as you begin to put someone through a training program that might last six or seven months, you’re with nine-months-old information, and by the time they finish, the world has changed.

The big challenge is to get good labour market information, at a local level, that is robust and current. I think we’re on a good path, but if you said, “Show it to me right now,” I don’t think any place in Canada could show it to you at all. That’s why the federal government is so concerned about this. We all share; we need the evidence, and we need it current. It’s tough; it really is much, much harder than anyone imagines, to get this.

But I’m with the auditor 100%. Without that data, you’re going historically, so you adjust historically. You really need the data. You need the evidence.

Anything you want to add?

Ms. Shelley Unterlander: I would like to add, just at the local level across the regions, how excited we are that there’s new census data coming in the fall of 2017. What that means for us is, we’ll be able to incorporate the updated labour market information into how we calculate the Employment Service funding. We plan to conduct some analysis and provide a recommendation by the spring of 2018 on updating labour market indicators in our Employment Service funding model using the new census data. This will allow us to adjust funding to reflect actual community need.

1350

So following that update, we also plan to regularly review and update the labour market and location indicators in the overall ES funding model. Also, Ontario’s Highly Skilled Workforce Strategy includes the development of more local, relevant and timely labour market data. We plan to explore information-sharing with the federal government as the ministry indicated to support access to more timely information.

Mr. Han Dong: That’s great. Thank you. How much time do I have?

The Chair (Mr. Ernie Hardeman): You have about seven minutes left.

Mr. Han Dong: Let’s switch gears to apprenticeship completion rates. We know that’s been a challenge. I know it was mentioned in the auditor’s report—it’s a fairly low number. If I remember right, it was around 42%. Why is it so difficult to improve the completion rate? Can you tell me some of the on-the-ground reasons why this has been a major challenge to the ministry?

Mr. Sheldon Levy: I’m going to give you one reason, and then while I mention it, I’ll give my colleagues a chance to be able to tell me if they want to add more.

One reason is that many people who are in apprenticeships don’t need a licence to practise. They’re going through an apprenticeship and they get a good job. They want to stick with that job and they don’t want to complete the apprenticeship. That number is averaged in with all of the numbers. Some of it is the decision of the student, that they just don’t want to complete. The apprenticeships ranges from A to Z, and when you average it all out, sometimes the numbers are misleading, but there’s certainly a lot of work we need to do to be able to improve it, despite what I said. That’s not an excuse. That’s just one reason why the numbers might be lower than expected. I don’t know the number, but some say, “Look, I got a great job. I’m happy. I don’t want to complete my apprenticeship,” and they go into the same numbers as others.

But Shelley—

Mr. Han Dong: Well, following that angle is actually a good problem—

Mr. Sheldon Levy: It’s a good problem—

Mr. Han Dong: —because you have a job.

Mr. Sheldon Levy: Yes, and one has to be careful not to say that that was a failure—

Mr. Han Dong: Right

Mr. Sheldon Levy: —because the apprenticeship opened the door to the person who got a job in a certain area, and that was the person's objective.

Mr. Han Dong: Right.

Mr. Sheldon Levy: Now, if you said, "Well, you failed. You have to complete your apprenticeship," that's not the outcome the person was looking for.

Mr. Han Dong: Right.

Mr. Sheldon Levy: That's different if you want to be an electrician because you need to complete it in order to become an electrician. That's not the case of all the apprenticeships.

Mr. Han Dong: And in the second part of your answer, I hope, if you can explain, do we have flexibility for these apprentices if they take on a job and temporarily suspend their study or their apprenticeship program? Would they be able to come back, and if they are able, how long of a window do we allow them to complete their apprenticeship?

Ms. Shelley Unterlander: I'd like to start out, first of all, with the overall question around why apprentices have problems completing. Prior to 2014, the ministry had focused on increasing the number of registrations and not necessarily focusing as much on completions. We introduced a number of initiatives to support apprentices, including the Apprenticeship Monitoring Strategy. In addition to our monitoring strategy, we've introduced supports such as exam preparation, financial incentives for progress and completion, monitoring sponsors with apprentices who are not progressing in their training and apprentices who are between sponsors, which means they're unemployed. We've piloted programs to support unemployed apprentices and apprentices who need essential skills upgrading. We're going to continue to explore options for new interventions to support apprentices' progress towards completion and to continue to refine the risk indicators that will tell us when we have an apprentice at risk.

We've also initiated a review to update the apprenticeship workplace monitoring strategy. The objectives of that strategy are to minimize the number of apprentices who become at risk for non-completion, and to strengthen relationships with the sponsors. It's a crucial part of the partnership.

We are looking at becoming more sponsor-centred, risk-based and consultative, with an eye towards continuous improvement. In the summer of this year, we will introduce new interventions to support apprentices' progress towards completion and to further refine the risk indicators that will help us focus the ministry's resources on helping those most at risk. We expect that work to conclude in 2018.

As I indicated earlier, we also have a couple of pilots that we've launched with our apprentices. One is what we call our Employment Service apprenticeship pathways pilot. That was launched in October 2016, and it was designed to connect unemployed apprentices with an Employment Service provider so that they can help find work in their trade. The other was an essential skills

support for apprentices pilot, which was launched in October 2016. It took a proactive approach to identifying apprentices who need some essential skills upgrading in order to complete their first in-class training. It was a proactive approach, before the apprentice actually got into their first in-class training—

The Chair (Mr. Ernie Hardeman): I think that would be a good place to stop that conversation, and we can catch up with it next time around.

The second round will be about 16 minutes per caucus. We'll go to the official opposition. Mr. Hillier.

Mr. Randy Hillier: During your comments, you made an important statement about 70% of your funding coming through from the feds with strings attached. One of the comments you associated with that was that without those constraints you would do things differently.

As you're aware, one of the responsibilities of this committee is to table a report back to the House. I'm wondering if you could share with the committee what those things are that you would do differently without those constraints from the federal government on 70% of the funding. Surely, you have that information—or if not readily available, it won't take too long to provide the committee?

Mr. Sheldon Levy: It's a good question. I don't know the answer and how readily or when it could be available—because we live under the constraints and we develop the programs. We also know that the programs are not always in sync with the needs of Ontarians, but we haven't developed, as far as I know, alternative programs. What we have done—

Mr. Randy Hillier: Even if there was an illustration to us—so that we know what would be done differently, what are the elements of that funding that you feel constrain or prevent Ontario from doing a better job.

Mr. Sheldon Levy: For sure, I'll get back to you on it. I don't want to invent an answer when I don't have one.

I do want to just go back to what I said, and that is that we spoke to the federal government and put forward a position to them this year on our issue of flexibility. That was shared by many other provinces. We were relatively pleased when the federal budget came out and recognized the need for flexibility.

But with regard to "Okay, now you have it. Tell me which programs you would have"—I don't want to invent one for you and I don't know it offhand, but I will get back to you.

1400

Mr. Randy Hillier: If we could have that, if there could be some undertaking, if that is available, and share it with the committee as soon as possible so that it will assist us in providing a thoughtful report back to the assembly.

The other thing I wanted to bring up—we've talked about the poor outcomes from the employment training programs that we have. My colleague also pointed out the poor outcomes due to overpayments and the lack of ability to recoup overpayments.

During the statements, there was a mention that the ministry is now undertaking some discussions with other

ministries to streamline operations. If I could draw your attention to recommendations 4, 5 and 18 from the Auditor General's report, number 18—we know that since 2012 it was the mandate of the government to streamline services. That came out of the Drummond report.

Here we are, five years later, with still not a very streamlined process. It shouldn't take five years to streamline. If things take five years to untangle the interconnections in the gnarled relationships, there's a problem. With recommendations 4 and 5, a striking two thirds of the service providers sampled had instances of non-compliance in their contractual arrangements with the ministry. Over two thirds were in non-compliance, yet only one third of those sites had actually submitted any plans indicating how they would come into compliance.

It certainly paints a picture to me of a lack of management and lack of oversight in the ministry with regard to the expenditure of taxpayers' money. We have failed outcomes, we have overpayments, we can't seem to streamline things, and our service providers are not in compliance and there's no action plan to come into compliance. I'm wondering if that is a consequence of having a bundle of cash delivered from the feds to us and we don't maybe need to account for the expenditure of it or to manage it in any worthwhile or meaningful measure.

Mr. Sheldon Levy: That one I will be able to answer for you for sure. The federal government requires us to account, to the dollar, for the programs that we have contracted with them. If you don't account to the dollar, you return the dollar. There is very, very strict accounting on it. That was not the issue that I was addressing; it was the lack of flexibility to build the programs—

Mr. Randy Hillier: There's that as well, yes.

Mr. Sheldon Levy: I don't want to leave anything that would give you the impression that the federal government doesn't hold us directly accountable for it, to the dollar.

Mr. Randy Hillier: Okay. Why would two thirds of the service providers not be in compliance with their contractual obligations with the ministry? That's an astonishing number.

Mr. Sheldon Levy: I'm going to pass that one on to my colleague to answer. But I just want to repeat: Any inference that we're not accountable to the federal government or the federal government does not strictly handle their side of the bargain and our accountability is wrong. That, I just want to be clear on.

Mr. Randy Hillier: We can get an answer on that before I turn it over to my colleague.

Ms. Shelley Unterlander: If I could, before I answer the service provider underperforming question, I would like to address the improving and streamlining question or point that you made earlier.

Mr. Randy Hillier: You've got a list of those improvements?

Ms. Shelley Unterlander: I would like to say that we have made significant improvements in improving and streamlining. I'd like to point out that we launched two

new youth employment initiatives: the Youth Job Connection and Youth Job Link programs. We launched the Ontario Centre for Workforce Innovation—

Mr. Randy Hillier: No, this was the streamlining of employment programs between various ministries.

Ms. Shelley Unterlander: Oh, okay.

Mr. Randy Hillier: That was an obligation mandated under the Drummond report that the government said we are going to do. Five years later, we find out we still haven't done it. That's too lengthy a time to do what the government is mandating the administration to do. It ought not take five years to figure out how to streamline. That tells me it's a pretty gnarly system, if you have to take more than five years to untangle it to find out how to streamline it.

If there is something that you can provide to the committee within the next couple of weeks about how the constraints of federal government funding prevent you from doing a better job, we'd like to know about it. If there is some commentary about why two thirds of your contracts are not in compliance, before I turn it over to—

Ms. Shelley Unterlander: I can talk about the underperforming service providers, if you want.

Mr. Randy Hillier: Yes.

Ms. Shelley Unterlander: Okay. We do utilize performance-monitoring tools and activities to gauge how service providers are doing. We have, as I indicated earlier, two processes that we follow, one called directed improvement and the other, official review. In 2015-16, we introduced a new monitoring system to track the progress of service providers on directed improvement and official review.

As an example, last spring, we took corrective action with service providers where program outcomes didn't meet their targets, by issuing seven directed improvement letters to service providers that were delivering Employment Service, and 21 letters to those delivering Literacy and Basic Skills, based on their 2015-16 results.

We also took corrective action for issues of non-compliance related to following up with clients, late reporting and inaccurate financial forecasting.

In total, 96 service providers were placed on official review in 2015-16, and they were required to provide the ministry with action plans to address that. Failure to do that could result in wind-down or amendments to their contracts.

Mr. Randy Hillier: Okay. I'll turn it over to Mr. Arnott.

Mr. Ted Arnott: Mr. Chairman, how much time do we have?

The Chair (Mr. Ernie Hardeman): Three minutes.

Mr. Ted Arnott: Three minutes. Thank you. I could talk for three minutes.

I've listened and gained a better appreciation, I think, of the challenges the ministry faces in terms of its responsibilities. I think we would all agree that we share a goal of ensuring that the job training programs that we have in the province help people today and prepare them for the jobs of the future. That should be our shared goal.

When we had the initial presentation this morning from the Auditor General's staff, when we were first told that there are 27 programs and services offered under Employment Ontario, it immediately struck me that there must be considerable duplication and overlap between the 27 programs. I know that in many cases, these programs are developed in response to the identification of an issue, a political involvement, a need to make a decision.

My colleague talked about the need to review the existing programs, to ensure that the duplication and overlap is minimized, but I would again suggest that more work needs to be done in that regard, to ensure that we aren't tripping over each other with the programs. I certainly would welcome your further comments on that, and what we can do going forward. This is an accountability exercise, and you're on the hot seat, answering the questions, but what can we do going forward to ensure that there isn't—the goal should be no overlap and no duplication amongst programs, surely.

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Mr. Sheldon Levy: First of all, I just want to echo: We have a shared concern. The way you put it is extremely important, and that is to make sure that, at the end of the day, the measure that is most important is good, secure employment. I think that every dollar that we spend that doesn't end up there is a dollar wasted.

A bit of the answer is more flexibility to make sure the Ontario programs meet Ontario needs, but even if we had that, improvement is still needed.

The challenge that we really do face across North America is the one where the jobs that are the future jobs—it's difficult to train the people who are losing their jobs for them. The more we go to digital artificial intelligence, the more attention we have to make sure that every dollar we spend is helping the people who are displaced.

Duplication and poor performance just erodes everyone's ability to do that job. What I can say to you is that we are lasered on this topic. Whether or not we should have been lasered five years ago—to Mr. Hillier's comment—the fact is that the Auditor General has noted a number of improvements that are necessary. We are committed to Ontarians to do that job that you said is important, and to work with other ministries to avoid duplication. But some of the work, I would just say, that appears to be duplication isn't duplication, because in some sense—

The Chair (Mr. Ernie Hardeman): To show equal treatment: end of conversation.

Mr. Sheldon Levy: Okay.

The Chair (Mr. Ernie Hardeman): Third party.

Mr. Sheldon Levy: I'll just stop there. Thank you for your question. My apologies.

Ms. Peggy Sattler: Thank you very much. I wanted to focus on apprenticeships. Coming from the initial summary of the auditor's report, she found that the ministry does not review apprenticeship completion rates by in-class training provider or employer, and it does not

compile and analyze survey results separately for the majority of questions, for those who completed their apprenticeship program versus those who withdrew.

She mentions that there was an analysis of apprenticeship completion rates by employer which found that, for employers who had sponsored at least 50 apprentices since the beginning of the program, there were approximately 100 employers with a low success rate—less than 20% completion—but who were still actively training almost 4,800 apprentices.

Can you talk to me about what you're doing to do this analysis of completion rates by in-class provider and by employer, and what kinds of actions are being taken to follow up with those in-class providers or employers who have unacceptably low completion rates?

Mr. Sheldon Levy: I'm going to see if I understand the question—while I try to answer it, I'll ask someone else. But when a young person wants to be an apprentice, the number one thing that they need is the employer. They need someone on the other side, so the last thing we want to do is discount an employer being available for a young person. It's not like a service provider, under which we could say, "Well, we're going to cut you loose." We need as many employers that are engaged that want to take on apprentices.

Ms. Peggy Sattler: But if the employer is not, obviously, providing the appropriate level of support to enable that apprentice to complete—

Mr. Sheldon Levy: Then we need support programs for the employer. The last thing we need to do is tell an employer, "You can't support an apprentice." That's the exact opposite of where we want to go. We need an employer community that is working with us and working with the apprentice to ensure the optimal completion rate. But some of it, sometimes, is out of the employer's hands.

Ms. Peggy Sattler: Are you doing the analysis to identify the specific employers who need additional supports?

Mr. Sheldon Levy: That, I will pass over to my colleague to answer that question. But I just wanted to make the point: Employers are key to the success—

Ms. Peggy Sattler: They're not going to be cut off, yes.

Ms. Shelley Unterlander: I will add that we have plans to analyze and review completion rates—

Ms. Peggy Sattler: When are you going to be doing that?

Ms. Shelley Unterlander: This fall. That analysis will enable us to identify trends relative to employers and develop strategies that will address the issue.

Ms. Peggy Sattler: The auditor had also mentioned analysis by in-class training provider. Are you also going to be looking at that in the fall? I see lots of heads nodding.

Ms. Shelley Unterlander: I don't have the exact time—yes? Yes.

Ms. Peggy Sattler: So that's part of the same analysis that's being undertaken. Okay.

The auditor's report notes, and you repeated it today, that the focus of the ministry has shifted from registrations of apprentices to completion rates, which makes sense because you don't want to bring people in for a program that has low completion. But at the same time, I'm wondering: Can you talk to me about how you co-ordinate in particular with the education system to identify apprenticeships as an equally valuable or equally legitimate, equally positive outcome from secondary education? We need young people to still select apprenticeship as a destination following their secondary school graduation.

Mr. Sheldon Levy: I'm going to pass it to Glenn, but I just have to give all of us a bit of wonderful news. Yesterday there was an event in Toronto where—

Ms. Peggy Sattler: Yes. I went there: Skills Ontario.

Mr. Sheldon Levy: You just look around, and you see unbelievable hope in that. You ask yourself: What's the problem when you see so many young people engaged in it?

I'll pass it over to Glenn—I'm glad you were there.

Mr. Glenn Craney: I just wanted to add that we recognize this as a concern in moving forward. We're not doing it alone. We're doing it in partnership with our college providers as well. We've set up a working group through the heads of—it's HOT; I always go by the acronym—

Ms. Peggy Sattler: Heads of technology.

Mr. Glenn Craney: Heads of technology trades at the colleges to get their input on how to move forward with this. It's really important to understand what the survey results are going to be, so we're working through a performance vetting framework with them. But it's also really important to have their help in providing that in-class treatment, providing those bridges from secondary school into post-secondary and understanding where that's going to go. There's a lot of work that can be done. A lot of it has been outlined by the auditor, and we're going to be working on that through the summer and into the fall.

Ms. Shelley Unterlander: If I could add to that, I just want to flag that the ministry already has several programs in place that address youth and apprenticeships, including our Pre-apprenticeship Training Program, our Co-op Diploma Apprenticeship Program and our Ontario Youth Apprenticeship Program. Those are a few key programs that enable us to engage youth in the Apprenticeship Program. For example, the Ontario Youth Apprenticeship Program offers students the opportunity to train as apprentices while completing their secondary school diploma.

Mr. Sheldon Levy: We haven't heard from my colleague from OCOT. David, I'm sorry for not giving you the seat.

Mr. Han Dong: He was eager to say something; I could tell.

Mr. David Tsubouchi: Ms. Sattler is on to something really important here. Just this year I was at the Niagara—not the Ontario Economic Summit but the

Niagara Economic Summit. I was talking about how it's important in the educational area for everyone to start looking at: How do we elevate the skilled trades to one of the viable, equal options that they can look at—universities, colleges and skilled trades? It's up to us to try to do something.

Part of that is communicating with young people too, to get them in. We've been doing a lot of work. We've been trying to focus on that, both through social media—that's the media in which they actually talk today. But we've got a number of programs. How do we make it exciting for them? Young people today don't want to see talking heads saying, "Do this; do that"; they want to see examples of how they can relate to these things.

We had one fellow—I forget his name. I should remember it; Dave was his first name, because that's my name. He took a job because he loved motorcycles. He said, "I just want to be close to motorcycles, so I took a job sweeping the floors just to be close to them." Then he became a motorcycle mechanic. Now, today, he is the guy who goes to Japan and gets to ride motorcycles before they're ever released to the public, just to test them, and he's living this life. Now we have a video about that on our website, earnwhileyoulearn.ca. This is the sort of thing that young people can relate to:

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Connecting to the music industry, recently, they had the Boots and Hearts Music Festival up in the Barrie area and we connected with them and getting the music industry behind us. It's glamorous. Kids love music. So we got a group like The Road Hammers who would stand on the stage and say, "We wouldn't be standing on the stage today if it wasn't for the skilled trades that connected us with electricity, that cooked the food that we're eating, that built the stage we're on." We had a lot of hits. I think it was like 60,000 hits on our website, and that's a lot for a regulator to have.

The other thing you were mentioning was the skills competition. For the first time in its history—sorry, Ted, it moved from your area—it's now in the city of Toronto. Under the leadership—and I have to say it's a sad day when Gail Smyth is stepping down from that leadership because she's been the driving force behind this. But getting into the mainstream media and getting young people to see first-hand how exciting it is to work in the skilled trades.

There's a lot of work to do because we need to coordinate. I have to tell you, this ministry is very good at working with us, but since Deputy Minister Levy's joined, it's been elevated in terms of positivity. I think it's been a very important step to make, but we need to connect—it's not my jurisdiction, but they're doing a lot right now in MAESD and we need to have education on-site too. I know they're talking to them to try to get back to where we have that introduction of young people into the viable trades—so in the shops. They need the shops. They need to learn all these other things. They need the means to be able to do these things, and it's first-hand how to do it.

It's up to us as leaders—and I know the ministry's taking a good lead in trying to get together all kinds of stakeholders to try this. You've got to have input from employers, apprentices, the community, the chambers of commerce—all these folks have got to get there and try to figure out how to do things better. You can't just drive along the same path.

You were saying about historical results. That's just doing the same thing over and over and not getting results. I think this is an opportunity—and again, I just want to say one last thing because I'm on a rant.

Ms. Peggy Sattler: Okay.

Mr. David Tsubouchi: I want to thank the Auditor General because it was a pleasure working with your office and a pleasure being with you and acting—more or less I'm a lawyer so—as a friend of the court, as a resource because it has given an opportunity for us to really say, “Listen, this is how well we're working with the ministry right now and it can always be better.” That's what the auditor's report is about. How do we make things better? How do we move on? I think we all have to embrace this and take what they're saying and do what we can do better.

Ms. Peggy Sattler: The programs that were mentioned, the pre-apprenticeship program and the others have the valuations been done of those in terms of the young people who move through those programs and go on to apprenticeship and hopefully completion?

Ms. Shelley Unterlander: I'm just going to turn to my colleague Jen Liptrot. She will be able to answer the evaluation piece.

Mr. Sheldon Levy: I think what I want to do is ask Erin just to give you an idea of what's being planned in the near future.

Ms. Erin McGinn: Sure. While we're looking for that information, I think as we've been moving towards implementation related to the recommendations of the highly skilled workforce panel, working very closely with our colleagues in education around that pathways discussion and better awareness in the guidance in the elementary/secondary system in terms of what information is being provided to the teachers to help the students make some of those decisions, and so they've undertaken a process. They've been out and about consulting. They've consulted with about 2,000 people thus far. We've been working very closely with them because, agreed, that was something the panel heard and I think we all do, related to better information, what type of information in what way needs to be put in the hands of students at that level when they're making those decisions. I just wanted to make sure that was inserted, that our colleagues in education have been working alongside with us to bring better awareness to the trades as an option as we're going forward.

Ms. Peggy Sattler: Okay.

Ms. Erin McGinn: I understand that there has been no recent evaluation related to the OYAP programs and the pre-apprenticeship programs, but we are looking at that through the modernization consultations.

Maybe just to step back on that, you alluded to it in terms of the next step, related to bringing all of the stakeholders together in the apprenticeship system to talk about what the journey is of that apprentice and where they all play a part in supporting that individual to get from when they're first thinking of the trades right through to completion. So we're looking to be undertaking where those programs that are OYAP and that first awareness—through that process, we'll be taking a look at those programs as well.

Mr. David Tsubouchi: Could I just add to that?

Ms. Erin McGinn: Sure.

Mr. David Tsubouchi: I've had the pleasure of being at some of the graduating ceremonies of the OYAP students, and that was a very important part because it also shows it had value to their parents, when they were there. When I got a chance to talk to these kids, the parents and the teachers—and the teachers are very engaged in all of this too—they were having a pretty good success rate of placing these young people into jobs as a result of working there part-time. I thought, well, isn't that something that's worthwhile pursuing? They're all enthusiastic about this. But I like the ceremony, because when we're presented with a certificate, it shows it has worth. It's like a diploma. That's part of where it starts. We've got to start saying to kids that there's value in what they're doing and recognition in this sort of thing.

Ms. Peggy Sattler: You mentioned that there have been no recent evaluations of these programs focused on young people. Is that part of the fall plans or is that further into the future?

Ms. Erin McGinn: We're just starting to undertake the process related to those first steps of bringing all of the right stakeholders together related to the apprenticeship system, so I can't speak specifically to timelines right now on those programs. We'll be able to get back to you, and I would like to check with my colleagues in education, as well, on timelines for those specific programs and what the planning might be around that.

Ms. Peggy Sattler: Okay. I want to go back to labour market information. You mentioned this online Web spider or something that collects all the information about job vacancies. That's real-time data, but that doesn't provide advanced warning about what the training needs are in the future, and that is critical information. That's the key piece for planning.

Can you give me some more detail—in addition to the real-time job openings—about how you are doing the labour market projections that are needed for the regional LMI systems?

Ms. Erin McGinn: One of the tools that we currently have within the Ontario government is Ontario Job Futures. That is something that we were hoping to have updated, by today, actually—

Ms. Peggy Sattler: But that is just provincial. Or is it now going to be regionally—

Ms. Erin McGinn: We are looking at doing that at a more granular level in terms of—so that's exactly where we've identified some of these gaps that have been

highlighted through the various reports. This is where we're looking to leverage the activity that the local planning tables are doing with some of this provincial-level data. That is to come. That is in the plans at this point in time.

Ms. Peggy Sattler: When will the Ontario Job Futures information be available at a regional level?

Ms. Erin McGinn: I can't speak to that right now. I'll look to get back to you with some more detail on that.

The Chair (Mr. Ernie Hardeman): That concludes the time. We'll now go to the government side. Mr. Dong.

Mr. Han Dong: I just want to say that I never had the pleasure of hearing Mr. Tsubouchi debate, especially on government policies, in the Legislature. I was very happy to get a taste of that.

I couldn't agree with you more with regard to the importance of communicating to our young students the importance of skilled trades—not just the earning potential, but even starting a very respected career in our society today.

In my riding, we have Central Tech. I have been there a few times. I just wanted to share with the committee that one time I was visiting Central Tech—it's an enormous school; it's huge—I got lost in the basement, and I came across a plumbing class. The class looks like a workshop; they have all the two-by-fours and all the partitions with exposed pipes. It was quite an experience, and I could tell each student in that class really enjoyed the learning experience, and that's the key. We can incentivize students to learn with money and the future and all that stuff, but really, as long as they enjoy the experience of learning, they will do well in those classes.

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I want to go back, Deputy. In addressing the question coming from my PC colleagues, you were saying there isn't duplication—or, at least, they're part of the program; that you wouldn't label them as duplication because they have specific outcomes that are very key to the target group. Do you want to finish that thought or maybe expand on—

Mr. Sheldon Levy: Yes, I'll begin to. One way of thinking of it is, what you could call the distance from the labour market. How much training do you need and what type of investment do you need from the province to put you in a position to be able to be gainfully employed and successful?

If you used a metric that says, "What we are interested in is the least amount of money for the maximum outcome," and you had that mindset, then there's a whole group of people who are more challenged than others that you would leave behind. The employment of those with disabilities has a different type of metric around it than, "Let's get them immediately. Let's put them in competition." If you begin to have a single metric that says, "Well, it's the dollars per," you're going to leave lots of people behind. It's not a surprise that ministries that have that responsibility have the difficulty of integrating it into another ministry that might have another metric. So it's

not a bad thing when it's difficult to do this integration, because it shows two minds: one, an economic mind, and what I'd call a social mind or a compassionate mind. It sounds really easy to do, but when you get into the meetings, you begin to understand that there isn't a one-size-fits-all approach that everyone can be compartmentalized with. That's what I was getting at. It's difficult for really good reasons.

Ms. Shelley Unterlander: I'd like to add to your question about duplication and just clarify. We do have close to 30 programs. My division is responsible for providing those programs and services through a service provider network. With that many programs, that's why, when I go home at the end of the day, my head hurts—just kidding. I just wanted to flag that they're under a couple of different, broad platforms.

In terms of duplication, while there may be some crossover, we have the Literacy and Basic Skills programs, we have Second Career, we have the Apprenticeship Program—and if you look at apprenticeship within that, we have regular apprenticeship, we have boutique programs that we call pre-apprenticeship, OYAP, CODA—Ontario youth apprenticeship programming. So within each of our broad distributions of programs, you will find a number of different programs with different flavours to them, if you will, all designed to meet the unique needs of the clients that we face on a daily basis.

A large part of what happens when you come into our Employment Ontario network is an assessment process so that the individual's needs can be assessed—whether it's somebody, as the deputy indicated, who's really distant from the labour market, who might need additional supports before you can even think about introducing them to the labour market. It really comes down to how everybody's needs are somewhat unique.

Mr. Han Dong: That's very interesting, especially when you put it in the context where we're dealing with fast-moving technology advancement and the really disruptive nature of it, and the change of our economy.

I heard a notion that maybe eight years ago, nobody knew what an iPhone was. Now it is a device that many of us use, even in the government. But what's interesting is, eight years from now, what will be its replacement? This is a fast-paced economy, and it impacts everybody. If we aren't careful and keep up with the speed, we will leave somebody behind.

Can you tell us what we are doing, what the ministry is doing, to ensure that no one is left behind in this new economy?

Mr. Sheldon Levy: For this one, I'm delighted to be able to take a lead. As you noted, I'm not long in government, but the thing that I'm most proud of is the changes in OSAP. The changes in OSAP recognized that if you came from families with low income, you had a one in five chance of going to university. As soon as you got into the upper middle, it was a four in five chance. So you had a 20% chance versus an 80% chance.

Now you ask, what happens to the other four people of the one in five? What types of jobs are they going to get?

What types of jobs are going to be the ones that are going to be replaced? You begin to see that the poor people who haven't been able to go into post-secondary are going to be the ones who are going to be out of work. That societal problem is huge.

I would say the biggest thing has been the changes of funding for young people in such a way that there's a big sign that post-secondary apprenticeship is open for you, independent of your ability to pay, that this is a desire to get more people to be able to be inclusive into our community.

It's what I was saying to the other answer. People who fall out of it are a lot of people who aren't prepared to get into it, because they haven't got the education background to do it.

So if I could give a shout-out, I would say that OSAP has been a fundamental improvement.

Mr. Han Dong: A game-changer.

Mr. Sheldon Levy: Yes. Erin, do you want to add something?

Ms. Erin McGinn: Yes. Thank you, Deputy. I think a part of addressing some of that is through the Lifelong Learning and Skills plan that was recently announced. That is targeting learners primarily who had been served through the Literacy and Basic Skills programming that had been targeted for investments. These are learners who have need, who perhaps have been knocked out of the system at some point in time. That's really aimed at trying to make sure that all the doors are open to them.

Actually, the broader part of that is also related to our adult education system and making it very learner-centred, so that they can have an easier time navigating the system. Part of that plan also is the Bridge Training program, and enhanced investments in those areas.

Again, that is aimed at credentials at this point in time, in terms of making sure that new Ontarians can quickly get into the workforce.

Those are just some of the other areas that we're moving on, to try to make it as comprehensive as possible as we move forward in this ever-changing economy.

Mr. Sheldon Levy: David, I think you want to add to it.

Mr. David Tsubouchi: Just on that point, because you're absolutely right about the fast pace of change in society right now. The great thing about this job I have is that I'm learning things continually. Just about a week ago, I went out with a former colleague. Peter Shurman called me up and asked if I could go see this business out in Brantford. I said, "Well, sure," and I went out there.

What we're trying to do right now with the college is modernize a lot of the standards in our curriculum, because the world is changing, right? Not only that, we have a process called program evaluation. We're looking at some of the trades, like swine herder or blacksmith, where you have one person who is in that category. Is it really worthwhile having that category? But then I saw this company, and they make these parts for transformers, and they're working on these huge forges with these automatic things like this, that come down, like

hundreds of thousands of pounds. I thought to myself, "That's the modern blacksmith." These guys go on to be recognized as a trade, and I thought, "Isn't that a good connection here? This is the modern blacksmith." The blacksmith category is almost disappearing right now, so why don't we look at this as an opportunity to modernize what we're doing and to show that this is the way to go for the future?

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There are all kinds of new trades out there, all kinds of technology. It's hard to keep pace with this, and that's where the challenge is. That's a priority for us right now.

Mr. Han Dong: You're talking about skilled trades, and I want to bring the focus back to apprenticeship. We know that there are a lot of apprentices out there who are at risk for incompletion. What are we doing to help out, to make sure that they will be able to complete their apprenticeship program?

Mr. Sheldon Levy: Erin, why don't you maybe describe your processes on apprenticeship reform?

Ms. Erin McGinn: Sure. This is related to really trying to better understand and support the apprentice through their journey, so the plan is to bring, as I mentioned, all the relevant stakeholders together in order to have better awareness of where everybody plays a part in assisting that apprentice in their journey.

Likely programs during that discussion will come to some of the previously mentioned programs in terms of exam prep and some of those elements that do assist with completion and what more could be done in terms of enhancing that support. So we're really hoping to be able to bring better awareness to those as to what's working and what's not, and to be able to address it. That's the current go-forward plan.

Some of the programs that do exist right now—it's not about ending those, but making sure that they are supporting the apprentice at every point in time of their journey.

Mr. David Tsubouchi: I could add to that, because I know the ministry is doing a lot of work with colleges and other providers for exam prep, because sometimes it's the examination, the final step, that's the problem. I know that they're doing an awful lot with that.

We've now got a new position on board at the college. It's there to help facilitate folks who may have had a few failures before. Sometimes they need a new accommodation. It's not really our job, but it's important for us to assist and give as much help as we can to complete this.

We've got the exam prep, because sometimes just even having a practice examination first under those circumstances before you write it is going to help you out. But sometimes there are other types of accommodations that have to be made to make sure that they have an opportunity for success. I know there's a lot being worked on by the ministry, and I just wanted to recognize that.

Mr. Han Dong: Is there any effort on the ministry's part or on the college's part to make the application process easier for future apprentices?

Mr. David Tsubouchi: I think the good news is that we've got some good leadership over at the ministry, and we're talking with them an awful lot on this, because here's the problem: The responsibilities for apprenticeships are split between the ministry and us. In many ways, it's confusing to employers and to the students. We're working right now to try to find a way to streamline that registration process and follow it through. You've got to make it simple and you've got to make it worthwhile for them to do this. The more garbage you throw in with red tape to make it difficult, it makes it more difficult for the employers to hire people. It's up to us to find a way to streamline it, and we're working on it right now. It's important for us and also for them. Good point; thank you.

Mr. Han Dong: Thank you, Mr. Tsubouchi.

I noticed in the AG's recommendations that she is asking for a redesign of the incentive to employers as well as to participants in the Apprenticeship Program. Has there been any movement on that?

Mr. Glenn Craney: In the 2016 budget, the government announced that we were going to be moving forward and reviewing that, looking at all of the different types of supports that we provide in terms of apprenticeship, the signing bonus and the completion. We're going to be working on that over the course of the summer, and hopefully we'll have some results on that relatively soon.

Mr. Han Dong: Great. Thank you.

The Chair (Mr. Ernie Hardeman): That does conclude the time for the hearings. We thank everyone here. Thank you all, not only the people at the table, but the people in the audience who came just for this afternoon. We thank you for coming in and helping us to do due diligence to make sure we review this part of the auditor's report.

With that, we'll just wait for a moment. You're welcome to get up and leave. We'll just wait for a moment and we'll go into the in camera portion to give some advice to the staff.

The committee continued in closed session at 1445.

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